GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3553
ANSWERED ON:16.12.2005
EDUCATION LOAN BY PRIVATE BANKS
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Will the Minister of FINANCE be pleased to state:

(a) whether the state level banking committees are providing feedback to the Reserve Bank of India regarding student loans disbursed by both public sector and private sector banks;

(b) if so, the details thereof;

(c) the loan disbursed by private banks during`the last three years; and

(d) whether private banks are reluctant in providing education loans to needy students; and

(e) if so, the steps taken by the Government in this regard ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE SHRI S. S. PALANIMANICKAM

(a) & (b) : According to the information furnished by Reserve Bank of India (RBI), banks are furnishing the data on educational loans directly to RBI.

(c) to (e) : The details of outstanding educational loans in respect of Private Sector Banks during the last two years (latest available) are given below :

Private Sector Banks	No.of Accounts	Amount (outstanding) (Rs. in lakhs)
2002-03	10051	11637.89
2003-04	11323	19190.20

The Private Sector Banks are not reluctant in providing educational loans to needy students. The new educational loan scheme prepared by Indian Banks` Association in consultation with the Government and Reserve Bank of India vide circular dated 28.04.2001 (revised on 31.08.2004) is applicable to all Scheduled Commercial Banks including Private Sector Banks.